



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

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DOGM
MINERALS PROGRAM
FILE COPY

March 26, 1990

H. Michael Keller, Esq.
VanCott, Bagley, Cornwall & McCarthy
50 South Main Street #1600
Salt Lake City, UT 84144

Mike
Dear Mr. Keller:

Re: Conditional Approval of Amount and Form of Reclamation Surety, Utelite Corporation, Utelite Mine, M/043/004, Summit County, Utah

On January 25, 1990 the Board of Oil, Gas and Mining formally approved the Self Bonding and Indemnity Agreement which was provided by Utelite Corporation (Utelite). Utelite has posted a self bond in the amount of \$101,800 which will be reviewed every five (5) years and adjusted if the cost of future reclamation has materially changed. In order to finalize the permitting process our rules require a completed Reclamation Contract. More specifically:

R613-004-113.4 Surety.

The operator shall submit a completed Reclamation Contract (FORM MR-RC) with the required surety.

A draft Reclamation Contract form was originally enclosed with the Utelite permitting materials provided to the Board as part of their January Board books. However, due to an oversight, the completed Reclamation Contract was not attached to the Self Bonding and Indemnity Agreement which was presented to the Board.

At this point we would ask you and Utelite to review and complete the enclosed Reclamation Contract and return it to our office in a timely manner. We will then attach the proper Division/Board signatures. A copy of the entire approved permitting package will then be copied to you along with a final permit approval letter for your files.

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H. Michael Keller
M/043/004
March 26, 1990

Should you have any questions or concerns regarding this matter please contact me or Tony Gallegos of my staff. Thank you for your cooperation in completing this permitting action.

Sincerely,



Lowell P. Braxton
Associate Director, Mining

jb
Enclosure
cc: Carsten Mortensen, Utelite Corp.
Dianne Nielsen
Tony Gallegos
WMN6/1-2